

## Message Text

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ACTION IO-14

INFO OCT-01 ARA-16 EUR-25 ISO-00 SCI-06 ACDA-19 CIAE-00

INR-10 L-03 NSAE-00 NSC-07 RSC-01 FEA-02 SS-20 PA-04

USIA-15 PRS-01 EPA-04 CEQ-02 AF-10 EA-11 NEA-10 HEW-08

DRC-01 /190 W

----- 008762

R 061445Z MAR 74

FM USMISSION IAEA VIENNA

TO SECSTATE WASHDC 4043

INFO AEC GERMANTOWN

AMEMBASSY BELGRADE

AMEMBASSY MEXICO

LIMITED OFFICIAL USE SECTION 1 OF 2 IAEA VIENNA 1992

E.O. 11652: N/A

TAGS: IAEA, TECH, MX, US

SUBJECT: IAEA HEALTH AND SAFETY ROLE

REF: IAEA VIENNA 1668

SUMMARY. AS PROMISED REFTEL, MISSION COMMENTS RE AGENCY'S HEALTH AND SAFETY ROLE, INCLUDING BACKGROUND AND PLANS FOR FUTURE, FOLLOW BELOW. END SUMMARY.

1. AS RESULT OF DISPUTE WHICH BROKE OUT IN SECRETARIAT OVER AGENCY'S HEALTH AND SAFETY RESPONSIBILITIES IN CONNECTION WITH PROJECT AGREEMENT FOR MEXICAN NUCLEAR POWER PROJECT, AGENCY IS NOW MOVING VIGOROUSLY ON VARIOUS FRONTS TO MEET CONCERNS EXPRESSED BOTH WITHIN SECRETARIAT AND AT BG DEBATE ON IAEA/MEXICAN PROJECT AGREEMENT, AS WELL AS PRIVATELY BY SEVERAL DELS.

2. BELIEVE REAL SPARK WHICH SET OFF CHAIN OF EVENTS WAS REALIZATION FOR FIRST TIME BY SOME SECRETARIAT  
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STAFF MEMBERS OF EXTENT OF POTENTIAL AUTHORITY ASSUMED  
BY AGENCY IN CERTAIN HEALTH AND SAFETY PROVISIONS OF

IAE/MEXICAN PROJECT AGREEMENT (WHICH ESSENTIALLY ARE STANDARD PROVISIONS IN ALL AGENCY PROJECT AGREEMENTS ALTHOUGH THIS WAS FIRST SUCH PROJECT INVOLVING POWER REACTOR); FOR EXAMPLE, LANGUAGE IN PARA 3 OF ANNEX, WHICH STATES THAT: "THE TRANSFER (OF ANY PART OF THE SUPPLIED MATERIAL TO THE JURISDICTION OF MEXICO) SHALL NOT TAKE PLACE UNTIL THE AGENCY HAS DETERMINED THAT THE SAFETY MEASURES DESCRIBED IN THE (DETAILED SAFETY) REPORT (WHICH IS TO BE SUBMITTED BY MEXICO AT LEAST SIX MONTHS PRIOR TO THE PROPOSED TRANSFER) ARE ACCEPTABLE." (PARENTHETICAL LANGUAGE INSERTED TO PROVIDE CORRECT CONTEXT.) FACT THAT, UNDER THIS PROVISION, AGENCY COULD THEORETICALLY FIND ITSELF THROUGH UNFORESEEN CIRCUMSTANCES OF HAVING TO DENY APPROVAL OF SAFETY REPORT, AND THUS DELAY SHIPMENT OF FUEL AND SUBSEQUENT STARTUP OF MULTIMILLION DOLLAR POWER STATION, APPARENTLY FRIGHTENED OR AT LEAST SHOCKED NUMBER OF STAFF MEMBERS AND SUBSEQUENTLY OTHERS AMONG DELEGATIONS HERE IN VIENNA, NOTWITHSTANDING AGENCY'S RECOGNIZED STATUTORY RESPONSIBILITIES THIS FIELD AND ACCEPTANCE WITHOUT QUESTION OF SAME PROVISION IN NUMEROUS OTHER AGENCY AGREEMENTS OVER PAST SEVERAL YEARS. IMPORTANT DIFFERENCE HERE, OF COURSE, IS ONE OF SCALE, WHICH IS UNDENIABLE.

3. IN ADDITION, GREAT DEAL OF CONCERN AROSE OVER FUTURE FINANCIAL AND STAFFING CONSEQUENCES FOR AGENCY, IF IT ATTEMPTED FULLY TO EXERCISE HEALTH AND SAFETY MEASURES SET FORTH IN DOCUMENT INFCIRC/18, INCLUDING ON-SITE INSPECTIONS, IN CONNECTION WITH GROWING NUMBER OF POWER REACTORS IN LDC'S, WHICH COULD APPROACH 100 OR MORE BY END OF NEXT DECADE. AGENCY IS AWARE, FOR EXAMPLE, THAT USAEC REGULATORY PROGRAM FOR FY 1975 CALLS FOR OVER 1,700 STAFF MEMBERS AND BUDGET OF CLOSE TO \$68 MILLION. WITH FIGURES LIKE THESE, IT IS EASY TO IMAGINE HOW SOME PEOPLE MIGHT HAVE REACTED IF THEY WERE THINKING IN TERMS OF A COMPARABLE FULL REGULATORY PROGRAM FOR AGENCY IN THE NEXT DECADE. (FOR COMPARISON, TOTAL PROFESSIONAL STAFF OF AGENCY TODAY IS ONLY LIMITED OFFICIAL USE  
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AROUND 300 AND THEIR REGULAR BUDGET FOR CY 1974 IS LESS THAN \$23 MILLION.)

4. PARTLY BECAUSE THERE WAS NO RPT NO CLEAR CONCEPT IN SECRETARIAT OF EXACTLY WHAT AGENCY'S ROLE THIS FIELD SHOULD BE, AND PARTLY BECAUSE POWER REACTORS INVOLVE AN ORDER OF MAGNITUDE CONSIDERABLY GREATER THAN ANYTHING AGENCY HAS EXPERIENCED TO DATE, RESULT WAS CONFUSION BORDERING ON PANIC OVER POTENTIAL CONSEQUENCES FOR AGENCY. FORTUNATELY FOR USG, BY THE TIME INTERNAL DEBATE THIS

ISSUE DEVELOPED, ARRANGEMENTS FOR IAEA/MEXICO PROJECT AGREEMENT HAD PROGRESSED TO POINT WHERE DG WAS COMMITTED IN SEVERAL WAYS, INCLUDING CEREMONY INVOLVING VISIT OF MEXICAN PRESIDENT ECHEVERRIA, AND TIMING VIRTUALLY MADE IT IMPOSSIBLE TO BACKTRACK AND CONSIDER ANY CHANGES IN AGREEMENT. THUS, DG WAS FORCED TO COME TO GRIPS WITH ISSUE WITH HIS STAFF, WITH RESULT THAT NUMBER OF PROPOSED INITIATIVES IN HEALTH AND SAFETY FIELD, WHICH FOR VARIOUS REASONS WERE MOVING TOO SLOWLY OR HAD BECOME BOGGED DOWN IN SECRETARIAT, WERE BROKEN LOOSE. THUS, IT IS APPARENT THAT DISPUTE AT THIS PARTICULAR TIME SERVED USEFUL PURPOSE OF GETTING AGENCY MOVING IN DIRECTIONS WHICH WE HAVE LONG BEEN URGING.

5. OUTCOME OF ALL THIS ESSENTIALLY IS AS FOLLOWS:

A. AGENCY WILL TAKE IMMEDIATE STEPS TO UPDATE AND REVISE ITS HEALTH AND SAFETY MEASURES DOCUMENT (INFCIRC/18). THIS IS LONG OVERDUE. PRESENT DOCUMENT WAS APPROVED BY BG IN MARCH 1960 AND, DESPITE PROVISION CALLING FOR DOCUMENT TO BE RESUBMITTED TO BG NOT RPT NOT LATER THAN JANUARY 1962 AND FOR BIENNIAL BG REVIEW THEREAFTER, IT HAS NOT RPT NOT BEEN REVIEWED OR SUBMITTED TO BG SINCE THAT TIME. FYI. SECRETARIAT HAS ALREADY STARTED ON THIS

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TASK. DRAFT REVISION IS EXPECTED TO BE AVAILABLE FOR INFORMAL CONSULTATIONS AT TIME OF JUNE BG MEETING, AND FOLLOWING SUBMISSION TO GOVERNMENTS FOR COMMENT, IT MIGHT BE FINALIZED FOR CONSIDERATION BY BG IN FEBRUARY 1975. END FYI.

B. DG HAS TAKEN STEPS TO ESTABLISH HIGH-LEVEL ADVISORY COMMITTEE (EXPECTED TO MEET APRIL 1-5), WHICH ESSENTIALLY WILL HAVE TASK OF REVIEWING AND DEFINING SPECIFIC PROGRAM FOR AGENCY TO CARRY OUT WITH RESPECT TO DEVELOPMENT OF INTERNATIONALLY ACCEPTED CODES OF PRACTICE, GUIDES, AND OTHER SAFETY AND RELIABILITY REQUIREMENTS FOR DESIGN, CONSTRUCTION AND OPERATION OF NUCLEAR POWER REACTORS. THIS WILL BE ONE OF MOST IMPORTANT AND MAJOR EFFORTS OF AGENCY IN RECENT YEARS, AND IS EXPECTED TO GET UNDERWAY THIS YEAR. (DETAILS HAVE BEEN REPORTED SEPTTEL.)

C. AGENCY'S IN-HOUSE NUCLEAR SAFETY STAFF WILL BE BUILT UP STARTING IMMEDIATELY IN ORDER TO ENABLE AGENCY LIMITED OFFICIAL USE  
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TO RESPOND PROMPTLY AND MORE EFFECTIVELY TO REQUESTS FOR ASSISTANCE AND TO PARTICIPATE IN SITING AND SAFETY ADVISORY MISSIONS. (DETAILS RE AGENCY REQUEST FOR U.S. EXPERT TO JOIN STAFF UNDER SPECIAL SERVICE AGREEMENT ASAP WILL FOLLOW SHORTLY.)

6. WHILE FOREGOING STEPS ARE ALONG LINES U.S. HAS BEEN URGING FOR SOME TIME THAT AGENCY UNDERTAKE, THERE ARE STILL MANY UNANSWERED QUESTIONS RE AGENCY'S HEALTH AND SAFETY ROLE. HOW MUCH IN WAY OF REGULATORY ACTIVITIES SHOULD AGENCY ACTUALLY UNDERTAKE? WILL INTERNATIONAL FINANCING INSTITUTIONS REQUIRE PARTICULAR ACTIONS BY IAEA IN CONNECTION WITH POWER REACTORS THEY FINANCE? SHOULD AGENCY IN PRACTICE CARRY OUT HEALTH AND SAFETY "INSPECTION"? IF SO, HOW MANY INSPECTORS WILL BE REQUIRED AND WHO WILL FOOT THE BILL? WHAT EFFECT WILL THIS HAVE ON AGENCY'S OTHER ACTIVITIES? SHOULD AGENCY ACTUALLY HAVE AUTHORITY TO DELAY AND EVEN PREVENT OPERATION OF A NUCLEAR POWER PLANT, OR TO SHUT IT DOWN? IF SO, WHEN AND UNDER WHAT CIRCUMSTANCES WOULD THIS BE DONE? AND COULD AGENCY EFFECTIVELY EXERCISE SUCH AUTHORITY? HOW DOES ONE RECONCILE SITUATION WHERE COUNTRY OBTAINS ONE REACTOR BILATERALLY WITH NO RPT NO HEALTH AND SAFETY RESTRICTIONS OR GUIDELINES WHATSOEVER ATTACHED, AND GETS SECOND REACTOR OF SAME TYPE THROUGH AGENCY WITH

ALL THE USUAL REQUIRED HEALTH AND SAFETY MEASURES ATTACHED? SHOULD AN EFFORT BE MADE TO SEEK AGREEMENT AMONG POWER REACTOR SUPPLIERS ON MINIMUM SAFETY REQUIREMENTS FOR REACTORS EXPORTED? THESE AND OTHER QUESTIONS INVOLVING FUNDAMENTAL LEGAL, FINANCIAL AND PHILOSOPHICAL PRINCIPLES FOR IAEA, ARE CERTAIN TO BE ADDRESSED IN ONE WAY OR ANOTHER DURING COMING MONTHS. ANSWERS ARE NOT RPT NOT EASY. IT BASICALLY BOILS DOWN TO QUESTION OF EXTENT TO WHICH MEMBER STATES REALLY WANT AGENCY TO IMPLEMENT ITS STATUTORY HEALTH AND SAFETY RESPONSIBILITIES. (ARTICLE XII.A OF STATUTE, FOR EXAMPLE, SPECIFICALLY MENTIONED AGENCY'S POWER, WITH RESPECT TO AGENCY PROJECTS, TO EXAMINE AND APPROVE DESIGN OF EQUIPMENT ANF FACILITIES AND APPROVE MEANS FOR CHEMICAL REPOPROCESSING OF IRRADIATED MATERIALS, INTER ALIA, TO ENSURE COMPLIANCE WITH APPLICABLE HEALTH AND SAFETY STANDARDS, AND TO LIMITED OFFICIAL USE LIMITED OFFICIAL USE

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REQUIRE OBSERVANCE OF AGENCY PRESCRIBED HEALTH AND SAFETY MEASURES AND SEND INSPECTORS TO DETERMINE IF THERE IS COMPLIANCE WITH SUCH MEASURES. ARTICLE XI.F.2 REQUIRES PROJECT AGREEMENTS TO PROVIDE THAT ALL TRANSFERS OF SPECIAL FISSIONABLE MATERIALS TO RECEIVING STATES BE UNDER CONDITIONS WHICH MEET APPLICABLE HEALTH AND SAFETY STANDARDS. OTHER ARTICLES ARE ALSO DIRECTLY OR INDIRECTLY PERTINENT.)

7. UP TO THIS TIME, IT HAS BEEN EVIDENT THAT DG HAS PREFERRED THAT AGENCY MINIMIZE AS MUCH AS POSSIBLE EXERCISING ITS STATUTORY HEALTH AND SAFETY CONTROL FUNCTIONS IN MEMBER STATES, AND INSTEAD PLACE INCREASED AND GREATER STRESS ON ITS ADVISORY AND ASSISTANCE ROLE THIS FIELD, AS MEANS OF STRENGTHENING EACH MEMBER STATE'S CAPACITY TO ASSUME ITSELF THE MAJOR RESPONSIBILITIES THAT WILL BE REQUIRED. COUPLED WITH THIS, DG HOPES THAT DEVELOPMENT OF INTERNATIONALLY ACCEPTED SAFETY GUIDELINES FOR NUCLEAR POWER REACTORS WILL FACILITATE AGENCY IN CARRYING OUT ITS HEALTH AND SAFETY RESPONSIBILITIES UNDER PROJECT AGREEMENTS, SINCE MEMBER STATES WILL BE EXPECTED ASSUME MAJOR BURDEN OF WORK REQUIRED, LEAVING SORT OF MINIMAL "REVIEW"ROLE FOR AGENCY, WHICH WOULD BE "MANAGEABLE" FROM STAFFING AND BUDGETARY POINTS OF VIEW. WHILE OBJECTIVE OF HELPING MEMBER STATES, PARTICULARLY DEVELOPING COUNTRIES, BUILD UP THEIR OWN INTERNAL HEALTH AND SAFETY CAPABILITIES IS HIGHLY DESIRABLE AND WOULD ALMOST CERTAINLY BE SUPPORTED UNANIMOUSLY BY AGENCY'S GOVERNING BODIES, IT REMAINS TO BE SEEN WHETHER AGENCY CAN AVOID BECOMING MORE DIRECTLY INVOLVED AS NUCLEAR POWER PLANTS PROLIFERATE IN THE DEVELOPING WORLD DURING NEXT DECADE AND BEYOND.

8. EFFECT OF ALL THIS ON PROPOSED KRSKO PROJECT AGREE-  
MENT, WHICH MUST BE CONSIDERED BY JUNE BG TO MEET AEC  
ENRICHMENT SERVICES DEADLINE, IS NOT RPT NOT YET CLEAR.  
IT WILL BE RECALLED THAT YUGOSLAV UTILITY REPS WHO MET  
WITH AGENCY SEVERAL WEEKS AGO FOR PRELIMINARY DISCUSSIONS  
RE PROJECT AND SUPPLY AGREEMENTS (SEE IAEA VIENNA 1077)  
MENTIONED THAT THEY THOUGHT GOY WOULD HAVE DIFFICULTY  
WITH STANDARD HEALTH AND SAFETY PROVISIONS AS SET  
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FORTH IN ANNEX TO IAEA/MEXICO PROJECT AGREEMENT. IN  
ANY CASE, WE BELIEVE IT IS IMPORTANT THAT NEGOTIATIONS  
BETWEEN AGENCY AND YUGOSLAV GOVERNMENT GET UNDERWAY  
SOON.PORTER

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NUCLEAR ENERGY, NUCLEAR AGREEMENTS, NUCLEAR HAZARDS, NUCLEAR REACTORS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 MAR 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Page Count:** 6  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** IAEA VIENNA 1668  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 MAR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 MAR 2002 by worrelsw>; APPROVED <02 MAY 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IAEA HEALTH AND SAFETY ROLE  
**TAGS:** TECH, MX, US, IAEA, AEC  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005